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Developments in Indochina



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Developments in Indochina



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Le Duan's presence on a high-level delegation to Peking suggests that the consultations will cover a wide range of important issues.

SOUTH VIETNAM. 2

Since the cease-fire, Communist engineers have constructed roads, airfields, storage facilities, and POL pipelines in MR-1, which significantly enhance Communist military capabilities in the area. Saigon is redeploying units in almost all military regions in an effort to improve defenses. The Democracy Party is winning village elections hands down. COSVN has ordered an economic offensive to secure food for its own people and artificially to inflate prices in the hope of crippling the South Vietnamese economy.

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Sihanouk is using his African tour to reiterate his tough line on negotiations.

~~SECRET~~NORTH VIETNAMNorth Vietnamese VIPs to Peking 25X1

Talks in Peking between First Secretary Le Duan and Premier Pham Van Dong and the Chinese are sure to cover a broad range of issues, some of them controversial. Le Duan's presence on the delegation indicates the North Vietnamese attach great importance to the visit. He did not join the last party-government delegation to Peking in November 1971 after Hanoi had expressed concern over the planned Sino-US summit. Le Duan has had no extended stay in China since 1966, and in fact, he has rarely left North Vietnam.

The Chinese and the North Vietnamese have much to discuss. They are certain to talk about bilateral relationships in general in the wake of the Paris Agreement and the big-power contacts of the past two years. They probably will also discuss the shape of the Chinese aid program; the North Vietnamese official who negotiates the Sino - North Vietnamese aid agreements has been in Peking since last week.

There are some signs that more specific questions on the application of the Paris accord will also figure prominently. A recent article in the North Vietnamese Army daily newspaper indicates that Hanoi is still smarting from pressures from its big-power patrons on some aspect of the negotiations. Points at issue could include not only the implementation of the agreement in South Vietnam, but the North Vietnamese military presence in Laos and Cambodia and the prospects for negotiations in Cambodia.

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SOUTH VIETNAM

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Communist Engineers Have
Been Busy

Since the cease-fire went into effect last January, North Vietnamese engineers have carried out a substantial construction campaign throughout the Communist-controlled areas of the country, especially in the northern provinces. The major projects include:

- The construction of a north-south road corridor from the Demilitarized Zone toward the central highlands, with branch roads leading eastward toward government-controlled areas in the lowlands.
- The refurbishment of numerous small airfields, particularly in the northern part of the country.
- The construction of numerous storage facilities.
- The extension of petroleum pipelines across the DMZ into Quang Tri Province and into the A Shau Valley from southern Laos.

The Communists may contend that this construction is for civilian purposes and does not violate the cease-fire agreements. They may also claim that given the sparse population and economic backwardness of the areas they control, the projects were necessary to enable their side to compete politically and economically with Saigon. The construction nevertheless has obvious military implications. During the course of the war, Saigon and its allies have built an excellent transportation network and a well stocked, dispersed supply system which has enabled the South

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Vietnamese to respond quickly to Communist threats anywhere in the country. When the new construction is completed, the Communists will for the first time since the war began have roughly the same capabilities in the northern portion of the country.

The military aspect is especially noteworthy in Military Region 1, where:

- The total manpower of Communist forces is nearly equal to that of the South Vietnamese;
- Hanoi can use the new road corridor to move additional troops in from the North;
- The Communists have large numbers of tanks and heavy artillery;
- The Communist air defenses are very strong;
- The Communists' improved mobility, together with the large quantities of materiel they already have near the front lines, could enable them to mount an offensive with little warning.

Even if Hanoi is not preparing for an early offensive, as the bulk of the indicators now suggests, the Communist presence in such strength may well have an intimidating effect on Saigon.

Saigon Shuffles Units

South Vietnamese military commanders in the northern provinces are planning a general realignment of forces to improve the defense of the populated coastal lowlands. Their plans include enlarging the area of responsibility of the Marines in Quang Tri Province, shifting the Airborne Division to cover the area north of Hue, and assigning the 1st Division to the defense of Hue and southern Thua Thien

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Province. The changes were to have begun late last week, but were postponed when all military and police forces in the northern provinces were put on a two-week "full alert."

Although MR-1 officials believe that the Communists will not launch a major military action soon, they expect attacks on some villages, bridges, and South Vietnamese outposts. These officials appear pessimistic over the ability of some of their forces to hold their ground, saying that since the cease-fire, the men's fear of being killed has badly affected morale. In addition, the commander of the Airborne Division claims that some areas that were supposed to have been turned over to his forces by the 1st Division are actually controlled by the Communists. He alleges that certain elements in the 1st Division had made tacit accommodations with the Communists, and that others had covered up heavy losses sustained in mid-May by telling regional headquarters that they resulted from a series of minor clashes over a longer period of time. All of the division commanders fear that their forces will be over-extended.

Other planned changes being held in abeyance are the establishment of reserve forces in the northern provinces that can be quickly moved in to reinforce units unable to hold their own in a battlefield situation. The reserve force is to be composed primarily of tank and airborne units and will be positioned to back up weaker units.

The South Vietnamese are making air-defense preparations in the northern provinces as a precaution against a North Vietnamese air attack. Anti-aircraft guns are being deployed around Hue. Other sections of the country are considering adjustments to counter any Communist effort to escalate the military action. There are plans to rotate forces between the coastal regions and the highlands in MR-2, and all units there are on a "training alert." MR-3 forces are on alert in Tay Ninh Province, which the

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regional commander believes is the most threatened, and in other critical areas. The regional commander in the delta is also adjusting the location of his forces in troublesome areas.

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Government Winning Village Elections

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President Thieu's Democracy Party is winning most of the contests in village council elections which are now taking place throughout the country. The party's success thus far does not appear to be a real measure of its appeal at the polls. Independent and opposition candidates have been disqualified in some areas, and some victories apparently have been achieved by co-opting the likely winners into the Democracy Party.

Many more local elections are scheduled in the coming weeks and the successes of the Democracy Party are likely to continue. In at least one province, the province chief has received orders to do all in his power to ensure a sweep of the village council elections by the government party. In Thua Thien where independent and opposition groups have been strong, however, officials are trying to prevent either an embarrassingly poor showing by the Democracy Party or an overwhelming victory that might needlessly alienate the opposition groups.

For the most part, political figures outside of the government camp have reacted mildly to the Democracy Party's successes. Some independent party leaders who have lost members to the Democracy Party are unconcerned because they believe the winning candidates will remain loyal to their original parties. On the whole, however, the opposition will be increasingly bitter in areas where the government uses heavy-handed election tactics.

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A Communist Economic Offensive

As a result of rice shortages throughout Indochina, the Communists in southern South Vietnam apparently have some significant food problems. In the past, the Communists in this area were able to supply a large portion of their needs from local sources, either in Cambodia or South Vietnam. Because of weather problems and the disruptions of war, local production is down this year and supplies are tight.

To meet the problem, the Communists are more aggressive in seeking out local supplies. They also apparently hope to exploit the shortages to discredit the Saigon government. The Communists' southern high command--COSVN--issued orders in May to prepare for an "economic offensive." The offensive reportedly had a dual purpose--to secure food for Communist troops and people in the "liberated areas," and to drive up the price of "immediate necessities" so as to "cripple" the economy of the Saigon government.

COSVN noted that rice supplies from Cambodia are likely to dwindle by the end of the year. It also warned cadre not to count on much outside assistance, an apparent reference to the expectation of reduced aid from North Vietnam. To offset the anticipated decline in supplies, COSVN ordered its provincial and district units to begin buying up commodities that are important to Saigon's economy at higher than government prices. Among the "strategic" goods listed were rice, gasoline, medicine, and machinery. Government officials, business leaders, and local merchants are to be approached by the Viet Cong agents with offers of large purchases at inflated prices. COSVN maintains that the program would not only bring in the needed supplies, but would also help the Communists establish friendlier ties with the people.

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It is doubtful that the Viet Cong could do business with enough merchants on a regular basis to disrupt the South Vietnamese economy. The Communists, however, will probably be able to create some shortages of fairly serious local consequence. Such disruptions would mesh well with the Communists' over-all pattern of "nibbling" away at government control and influence.

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CAMBODIA

Sihanouk on Safari

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For the second year in a row, Prince Sihanouk is visiting a number of African and East European countries which recognize him as Cambodia's "legitimate" chief of state. Since early May, Sihanouk's Chinese-provided VIP jet has taken him to Senegal, Algeria, Guinea, Mali, the Congo, Zambia, Morocco, and Mauritania. Albania, Yugoslavia, and Romania are next.

These visits are partly intended to boost the international prestige of Sihanouk's Peking-based "Royal Government of National Union" and to promote its credibility as an independent political entity. They also give Sihanouk the chance to line up backing for his "government" at this fall's Conference of Non-aligned Nations in Algiers, which the Prince plans to attend. Sihanouk's African allies supported seating his delegation at last year's conference in Guyana, and he obviously wants to ensure a repeat performance this September. Morocco's recent recognition raised to 19 the number of African states having diplomatic ties with his exile government.

Sihanouk's travels also give him an opportunity to increase his propaganda output. In a series of press conferences and interviews, he stuck to familiar themes including diatribes against "US aggression" in Cambodia and denunciations of the "traitorous Lon Nol clique" in Phnom Penh. In addition, he reiterated his offer to negotiate directly with the US and his willingness to establish diplomatic relations with Washington if the US stops supporting Lon Nol, with whom Sihanouk claims he will never negotiate.

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